



P.O. Box 942709  
Sacramento, CA 94229-2709  
(916) 326-3420  
Telecommunications Device for the Deaf  
No Voice (916) 326-3240  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

Date: August 11, 2004

TO: **COUNTY SUPERINTENDENTS OF SCHOOLS AND INDIVIDUAL  
SCHOOL DISTRICTS**

SUBJECT: **REPORTING OVERTIME PAY RATES for NON-CERTIFICATED  
SCHOOL EMPLOYEES**

**Issue:** CalPERS Government Code Section 20636.1 requires all services rendered up to 40 hours per week be reported for non-certificated school members. CalPERS Government Code Section 20635.1 indicates that overtime compensation is excluded from reporting. Schools commonly have employees who have a regular work week that is less than 40 hours per week, and these employees are paid at a straight-time, hourly rate for those hours. For any services rendered in excess of their regular work week, they receive an overtime rate of pay. In order to comply with Government Code Section 20636.1, the schools report this employee for the hours worked over their normal work week, up to 40 hours per week, to CalPERS. Some schools are reporting the hours worked between the normal work week and 40 hours per week at the overtime rate of pay, and some schools are reporting the hours worked between the normal work week and 40 hours per week at the straight time rate of pay.

**Policy:** After reviewing the situations and Government Code with our Legal Office, it is AESD's position that overtime rates **should NOT** be reported to CalPERS for non-certificated school employees in accordance with Government Code 20635.1. Any hours worked between the regular work week and 40 hours per week should be reported at the normal hourly rate that corresponds with the salary schedule for that classification. All earnings for services rendered in excess of 40 hours per week should not be reported to CalPERS. For employees who have worked a full school year and are now working during the summer, this is not considered overtime and they must be reported for all hours worked, up to 40 hours per week, even though they may already have earned a full year of service credit. The purpose of reporting the summer school is not necessarily to gain service credit, but rather to make certain a pay rate is reported in all 12 months and ensure the highest final compensation is earned by school members.

**Further Action:** During fiscal year 2004/2005, AESD will propose regulations to clarify Government Code Section 20635.1 by stating something along the lines of "all hours being worked up to 40 hours per week should be reported using the rate in accordance with the salary schedule for the job classification being reported. Overtime rates should not be reported to CalPERS for any services rendered up to 40 hours per week." Once the regulations are approved, a Circular Letter will be distributed to all schools.